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Germany

Fresh Deciduous Fruit

Semi-Annual

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Report Highlights:
For CY 2002 German production is estimated at 729,380 MT for commercial apple production, at 700,000 MT for non-commercial production, at 55,000 MT for pears, and 69,000 MT for concentrated apple juice.

Includes PSD changes: Yes
Includes Trade Matrix: No
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Table of Contents

Note: This report updates the PSD tables for apples, pears and concentrated apple juice (CAJ) last submitted on September 9, 2002 in the annual report GM2015. Trade matrices have remained unchanged.

Apples

Bad pollination and severe frost damage have resulted in the smallest German commercial apple crop since 1995. For MY 2002/2003 German commercial apple production is estimated at 729,380 MT. This is 4 percent lower than projected in September and 21 percent lower than the MY 2001/2002 harvest, which amounted to 922,433 MT.

Table 1: PSD for Fresh Apples in Metric Tons (MT), 1000 trees, hectares (ha)

PSD Table						
Country	Germany					
Commodity	Fresh Apples				(HA)(1000 TREES)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin	07/2000		07/2001		07/2002	
Area Planted	0	35,793	0	36,124	0	36,124
Area Harvested	0	35,793	0	36,124	0	36,124
Bearing Trees	0	58,412	0	58,382	0	58,382
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	58,412	0	58,382	0	58,382
Commercial Production	1,130,802	1,130,802	922,433	922,433	762,000	729,380
Non-Comm. Production	1,500,000	1,500,000	600,000	600,000	850,000	700,000
TOTAL Production	2,630,802	2,630,802	1,522,433	1,522,433	1,612,000	1,429,380
TOTAL Imports	642,038	642,038	680,604	680,604	720,000	750,000
TOTAL SUPPLY	3,272,840	3,272,840	2,203,037	2,203,037	2,332,000	2,179,380

Domestic Fresh Consump	2,080,571	2,080,571	1,599,892	1,599,892	1,618,800	1,529,180
Exports, Fresh Only	72,720	72,720	66,555	66,555	63,000	60,000
For Processing	1,108,000	1,108,000	536,000	536,000	650,000	590,000
Withdrawal From Market	11,549	11,549	590	590	200	200
TOTAL UTILIZATION	3,272,840	3,272,840	2,203,037	2,203,037	2,332,000	2,179,380

Note 1: Every 5 years a full census is conducted on area and tree numbers. 2002 is a full census year, however, results have not yet been released, therefore post will not update this data until these figures are released.
Note 2: "For Processing" only includes processing for apple juice, all other processing such as for applesauce, baby food, bakeries and spirits are included in "Domestic Consumption."

At this time of the year, commercial stock figures give a better picture about market prospects than harvest figures alone. As of December 1, 2002, total stocks were 20 percent less than at the same time the previous year. However this masks different developments in the North and South of Germany. Stocks are up 16 percent year-on-year in the South due to better fruit quality and less hail damage, resulting in a lower percentage of the crop going into processing. In contrast stocks are down 41 percent in the North, where the two previous seasons had delivered extremely good crops.

The smaller crop resulted in a higher proportion of fruit being stored under "controlled atmosphere" (CA) or "ultra low oxygen" (ULO) as opposed to simple cold storage. Most of the apple stocks in cold storage have already been sold, which takes pressure off the market. Cold storage fruit does not keep as long as fruit stored under CA or ULO.

When looking at the stock of the different varieties it has to be noted that both, the increase of stocks of the variety "Gala" as well as the decrease of "Cox Orange" and "Gloster," reflect changes in the planting of those varieties.

Table 2: Commercial Apple Stocks held by Producer Organizations, as of December 1, in MT

	1998/99	1999/2000	2000/01	2001/02	2002/03	Change in percent
Total Apples	330,300	326,300	349,000	298,300	239,400	-20
thereof						
Jonagold*	105,300	111,700	114,100	96,100	81,800	-15
Elstar	39,500	51,400	49,800	48,300	41,500	-14
Idared	38,100	31,600	40,200	30,100	29,100	-3
Golden Delicious	28,900	33,800	29,800	26,000	29,100	12
Gloster	40,700	28,500	28,000	24,500	13,000	-47
Boskoop	33,700	18,300	27,100	18,200	9,300	-49
Cox Orange	12,600	16,500	10,600	12,100	2,500	-79
Gala	5,600	7,000	8,400	7,300	9,100	25
* Jonagold and similar varieties						

By region						
South	122,300	114,900	101,100	82,700	96,300	16
North	117,900	118,500	147,300	136,800	80,400	-41
East	75,100	72,900	88,400	65,500	54,700	-16
Center-West	15,000	19,900	12,200	13,200	8,000	-39

Obst & Gemuese Marktinfo Nr. 50, 12.12.2002 page 1

German official sources do not issue production estimates for non-commercial apple production, as the last tree census for non-commercial apple trees dates from the 1960s. Therefore FAS/Berlin figures for non-commercial apple production are very rough estimates. Non-commercial apple production includes apples from trees on meadows and house gardens and is mostly used for processing. For MY 2002/2003 non-commercial apple production is estimated at 700,000 MT, which is 17 percent higher than in MY2001/2002 but substantially lower than anticipated.

U.S. exports of apples to Germany are negligible, in MY 2001/2002 they amounted to merely 107 MT.

Pears

In contrast to the apples, the pear crop of MY 2002/2003 turned out to be much higher than originally anticipated. The German Federal Office of Statistical released a preliminary figure for the 2002 pear harvest of 61,666 MT as opposed to the September forecast of 44,000 MT. The big difference between the estimates is largely due to a change in statistical procedures. However, according to industry contacts this official figure seems to be way too high. The industry estimates the pear crop at about 55,000 MT. This is still higher than the original forecast because the crop in northern Germany was underestimated in the first forecast. In MY 2001/2002 a total of 46,823 MT of pears were harvested. The majority of the locally produced pears are consumed directly and not put in storage. Consequently, commercial stocks on November 1, 2002 were comparatively low, albeit higher in MY 2002/2003 than in the previous season.

Table 3: Commercial Pear Stocks held by Producer Organizations, as of November 1. Data in MT

	1999/2000	2000/01	2001/02	2002/03	Change in percent
Total Pears	2,900.0	8,800.0	3,500.0	4,800.0	38

In MY 2001/2002, Germany imported 159,758 MT of pears. German imports of U.S. pears amounted to 4,133 MT and consisted mainly of the variety "Anjou." The United States was the seventh largest pear supplier to the German market.

Table 4: PSD for Fresh Pears

PSD Table						
Country	Germany					
Commodity	Fresh Pears				(HA)(1000 TREES)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin	07/2000		07/2001		07/2002	
Area Planted	0	2,372	0	2,372	0	2,372
Area Harvested	0	2,372	0	2,372	0	2,372
Bearing Trees	0	2,342	0	2,346	0	2,346
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	2,342	0	2,346	0	2,346
Commercial Production	65,162	65,162	46,823	46,823	44,000	55,000
Non-Comm. Production	0	0	0	0	0	0
TOTAL Production	65,162	65,162	46,823	46,823	44,000	55,000
TOTAL Imports	150,754	150,754	159,758	159,758	161,000	154,000
TOTAL SUPPLY	215,916	215,916	206,581	206,581	205,000	209,000
Domestic Fresh Consump	203,036	203,036	195,155	195,155	195,250	197,000
Exports, Fresh Only	10,654	10,654	10,164	10,164	8,750	10,500
For Processing	2,184	2,184	1,262	1,262	1,000	1,500
Withdrawal From Market	42	42	0	0	0	0
TOTAL UTILIZATION	215,916	215,916	206,581	206,581	205,000	209,000

Note 1: Area data on pears is not reported by the Federal German office for Statistics. Data in table is a rough estimate.
Note 2: Every 5 years a full census is conducted on area and tree numbers. 2002 is a full census year, however, results have not yet been released, therefore post will not update this data until these figures are released.

Concentrated Apple Juice (CAJ)

More than 90 percent of the apple juice produced in Germany is made from CAJ, less than 10 percent consist of juice pressed directly from apples. About 85 percent of the CAJ is imported. This explains why the market for CAJ in Germany is increasingly influenced by the world market price for CAJ and less by the availability of domestic apples for juice production. Out of the 15 percent of the CAJ, that is produced in Germany, about 66 percent, 22 percent and 12 percent of the German CAJ production is made from non-commercially grown must apples, diverted domestic tables apples and imported must apples respectively.

Due to the lower non-commercial apple crop, the forecast for domestic German production of CAJ (converted into 70.5 Brix) is now at 69,000 MT for MY 2002/2003 instead of 75,000 as previously forecast.

Accurate trade figures are difficult to retrieve, as there is little ascertainable information about the strength of imported/exported CAJ. Therefore the recalculated figures for CAJ at 70.5 Brix should be viewed with due caution.

Until 12/31/2001 EU customs regulations, and hence German trade statistics, distinguished between apple juice concentrates below 1.33 density or 67 Brix (representing approximately 51 percent of imports) and above 1.33 density or 67 Brix. Starting from 01/01/2002, for statistical purposes, tariff codes were changed. Now there are three groups:

- apple juice below 20 Brix, the majority under this code will be single strength fruit juice
- apple juice with more than 20 Brix but not more than 67 Brix, mostly half concentrate
- apple juice above 67 Brix, CAJ

This change helps to get a better pictures of the concentration levels of imported/exported, CAJ, however, there is still a lot of guess work involved.

The tariff rates were not affected by the change. Trade agreements in view of the accession to the EU eliminated the higher tariff rates for CAJ above 67 Brix for the candidate countries. Therefore most of the CAJ from those countries is now imported at 70/72 Brix rather than with 65 Brix as before.

U.S. exports of CAJ to Germany are marginal, in MY2001/2002 they amounted to 309 MT. In contrast, the United States is the single most important market for German CAJ. The U.S. imported 35,771 MT from Germany in the same period.

Table 5: PSD for Concentrated Apple Juice

PSD Table						
Country	Germany					
Commodity	Concentrated Apple Juice				(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin	07/2000		07/2001		07/2002	
Deliv. To Processors	1,108,000	1,108,000	536,000	536,000	650,000	590,000
Beginning Stocks	127,092	127,092	169,986	191,400	180,000	190,000
Production	122,199	122,199	75,000	63,000	75,000	69,000
Imports	312,567	315,396	300,000	363,551	330,000	400,000
TOTAL SUPPLY	561,858	564,687	544,986	617,951	585,000	659,000
Exports	86,484	88,819	90,000	118,000	128,000	140,000
Domestic Consumption	305,388	284,468	274,986	309,951	283,400	334,000
Ending Stocks	169,986	191,400	180,000	190,000	185,000	185,000
TOTAL DISTRIBUTION	561,858	564,687	544,986	617,951	596,400	659,000

Note 1: Figures in PSD are converted into 70.5 degrees Brix

Note 2: The increase of exports is partly due to a change in conversion rates. Exports between 20 and 67 Brix were previously underestimated.